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## Arise Lobby Day!

**Thursday, February 9th**  
State House

- 9:30 am – Registration**  
Capitol auditorium
- 10:00 am – Issue briefing**  
Capitol auditorium
- 11:30 am – Visit legislators**  
State House, 5th-7th fl.
- 12 noon – Legislative reception**  
Capitol Tunnel
- 1:00 pm – Press conference**  
Capitol Tunnel
- 1:30 pm – Membership meeting**  
State House
- 2:00 pm – Adjourn**

**We need you in the State House on Lobby Day!** And don't forget to come "Lobby With Melissa" anytime during the session. Call Brenda at (800) 832-9060 to schedule your visit.

## Bon voyage, Mary!

Board members, former colleagues and friends joined Arise staff January 17th in the lobby of the Alabama Archives to honor senior policy analyst Mary B. Weidler on her retirement. Of all Mary's sterling qualities – her intelligence, her energy, her wicked wit – perhaps the most impressive is, simply, her kindness. It's what endears her as a friend and co-worker, and it's what has made her such an effective advocate for fairer and more humane state health policy these eleven years at Arise.

We wish Mary and Jerry godspeed as they set sail for Antarctica!

# Report

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January 26, 2006

## **Knight, Riley plans compete**

# Income tax reform builds steam

Alabama stands its best chance in years of shedding one of the state's most shameful distinctions – our \$4,600 income tax threshold. Two proposals for how to do that are stirring spirited debate at the State House and on editorial pages statewide.

**Arise applauds Governor Riley for making a new run at the problem,** but we think he has set his sights too low. Our plan would surpass the governor's goal and get there faster, without shifting money away from schools.

**Arise's proposal balances a constitutional amendment to repeal the deduction for federal income tax paid (HB291)** with a follow-up measure to increase personal exemptions and dependent and standard deductions to the federal level (HB292). These actions would raise the income tax threshold for a family of four to \$22,900 next year. By contrast, the governor's five-step increase in the exemptions and deductions (HB290), tied to growth in the ETF, would bring the threshold to only \$15,100, still well below the 2005 federal poverty level of \$19,350, by 2011 at the earliest.

**At a Monday night event organized by 20 Mobile-area Arise groups,** Rep. John Knight, sponsor of the Arise bills, spoke about the moral imperative of tax fairness. He asked how a state could invest in world-class docks, auto plants and research institutions, yet leave its poor to pay nearly 11 percent of their income in taxes. "Have we forgotten the duty to 'share the harvest?'" he said.

Knight alerted his audience to misinformation that could undermine legislative and public support for reform. A Sunday *Birmingham News* editorial, for example, grossly distorted the Arise plan's impact.

**"Under our proposal, sixty percent of tax filers will see a decrease in state income taxes owed,"** explained ACPP executive director Kimble Forrister. "Another twenty percent will see no change. We have to get the message out there!"

## ***In Memoriam*** **Jessie Tehranchi**



*Jessie with Rep. Linda Coleman at Arise Lobby Day 2004.*

**She seemed to be everywhere** -- boisterous rallies and protests, tedious meetings and hearings behind the scenes, neighborhood canvassings, the letters page in the paper, conferences on the other side of the country.

Neither multiple sclerosis nor two kinds of cancer could keep Jessie Tehranchi from the front lines of the causes she held dear.

**We're grateful that Arise was one of them.** As we continue our work on public transit and adequate health care funding, Jessie's tenacious spirit will remind us what's at stake.

## A few words from Kimble —

**The media advice is in: “Keep it simple!”** Our focus groups reassured us that a message of tax fairness would appeal to voters, but we need to stick to that message and not get bogged down in numbers!

**Still, we have to use a few numbers to make our case.** People want to change the \$4,600 income tax threshold, the worst in the nation, and they don’t think it’s fair to charge \$443 income tax on a mother of two at the poverty line. The Knight Plan will cut taxes for 3 out of 5 Alabama tax filers, while 1 out of 5 will pay more. For the plan to get traction in the House, our state representatives need to hear from us.

**Urge your state representative to support the Knight plan!**

**It shouldn’t be hard to understand “revenue-neutral.”** Yet the Christian Coalition’s John Giles said we were being “disingenuous” to call Knight’s plan revenue-neutral when it raises taxes at high incomes. I guess we have to keep repeating it: *Fairness demands not only tax cuts for those who pay too much, but also increases for those who pay too little!*

**This week we’ll release a study** that shows that the top fifth of Alabamians saw their incomes grow by 60 percent over the last two decades. The Knight Plan will increase their taxes by about 1 percent of income, and they’ll still pay less than half the share of income paid by the bottom fifth in state and local taxes. Surely they can afford it!

**We’ll miss Jessie Tehranchi’s steadfast presence and Mary Weidler’s vast issue knowledge** as we look for new advocates to pick up the torch.

With peace,



Arise Citizens’ Policy Project Report

# Other bills on Arise’s agenda

By Ron Gilbert, senior policy analyst

*In addition to the tax reform bills (see Page 1), Arise will be tracking a number of legislative proposals through the session. Visit [alarise.org](http://alarise.org) for updates to this abbreviated list:*

## Accountability in government

- **HB93/SB138** (McLaughlin/Lee) – Prohibits “PAC-to-PAC transfers,” or transfers of funds between political action committees.
- **HB90** (Hinshaw) – Provides that paid political advertising by a sponsor other than a principal campaign committee shall disclose the sponsor’s sources of funding.
- **HB113/SB123** (Hinshaw/Lindsey) – Adds “electioneering communications” to the activities requiring funding disclosure as described in HB90.

## Budgets

- **HB265/SB75** (Knight/Mitchem) – The General Fund (GF) budget for Fiscal Year 2007. Appropriates \$1.586 billion from un-earmarked state revenues and transfers, and conditionally appropriates \$66.6 million.
- **HB272/SB209** (Lindsey/Sanders) – The Education Trust Fund (ETF) budget for Fiscal Year 2007. Appropriates \$5.68 billion from state revenues, and conditionally appropriates \$88.4 million.

## Constitutional reform

- **HB342/SB208** (Carns/Mitchell) – Repeals from the state constitution “Jim Crow” provisions regarding segregated schools and the poll tax. Does not restore the right to an education.
- **SB52/HB109** (Little/Newton) – Calls for a referendum on whether the state should call a constitutional convention. Further provides for election of delegates, holding of the convention, and process of ratification.

## Death penalty moratorium

- **SB29** (Sanders) – A moratorium on

the death penalty for a period not to exceed three years to ensure that death penalty cases are administered fairly.

- **SB30** (Sanders) – Establishes standards and procedures in death penalty cases to determine whether a defendant is mentally retarded.

## Education

- **SB269** (Waggoner) – Supplemental appropriation of \$500 million from 2006 ETF to school districts for capital expenses, including debt service.

## Landlord/tenant

- **HB287/SB151** (McLaughlin/Barron) – The Uniform Residential Landlord and Tenant Act, defining rights and responsibilities for both parties.

## “Money Follows the Person”

- **HB169** (L. Coleman) – Requires nursing facilities to refer residents moving back to the community to Senior Services for assistance in obtaining home- and community-based waiver services without being wait-listed. Establishes pilot program to promote independence and choice in Medicaid long-term care services.

## Public transportation

- **HB182/SB353** (Smitherman/Hall) – Constitutional amendment to add public transit to purposes for which fuel and road use taxes can be used.

## **Thank you!**

Alabama Arise and Arise Citizens’ Policy Project would like to thank the following members for their special gifts:

*In Memory of Jessie Tehranchi:*

Church Women United – Birmingham  
Mary B. Weidler  
Melissa Oliver

*In Honor of Mary B. Weidler*

*upon her retirement:*  
Peter Horn